



**ADOPTED BY THE
BOARD OF DIRECTORS**
June 2025

CHILD LABOUR AND FORCED LABOR POLICY of HERTI JSC

I. INTRODUCTION

HERTI JSC categorically condemns and prohibits any form of child labor and forced labor in its activities, as well as in the activities of its suppliers, partners and subcontractors. This policy is in accordance with the international conventions of the International Labor Organization (ILO), the United Nations and other relevant human rights standards.

II. SCOPE

This policy applies to all employees of HERTI JSC, as well as to all external partners, suppliers, contractors and subcontractors involved in the company's activities.

III. CHILD LABOR PROHIBITION

- Child labor is any work performed by persons below the minimum legal age for employment or below the age specified by national legislation or below the age recommended by the ILO.
 - HERTI JSC does not allow, support or tolerate the hiring and use of child labor.
 - The company requires the same from all its partners and suppliers and conducts regular checks on compliance with the child labor prohibition and the conditions for hiring young workers, by signing an Additional Agreement, and if necessary or in doubt, by conducting on-site inspections.
 - The company ensures that staff and other stakeholders are effectively informed about the policy on the prohibition of child labor and the procedures for the rehabilitation of children found to be working in situations that meet the definition of child labor.
 - Upon information and/or detection of cases in which children fall into the category of child laborers, regardless of whether they are employed directly or indirectly, including by suppliers, subcontractors or sub-suppliers, as well as in cases of child trafficking, the Management of HERTI JSC ensures all necessary actions for "recovery of children", such as:
 - immediate removal of the child from the workplace;
 - development of a recovery program and provision of sufficient financial and other support;
 - ongoing support and monitoring

IV. FORCED LABOR PROHIBITION

- Forced labor includes any form of labor that is performed against the will of the worker under threat or coercion, including debt bondage, retention of personal documents or restriction of freedom of movement.

- HERTI JSC prohibits the use of forced labor in its activities and requires the same from its partners and suppliers.
- The company ensures that all employment relationships are voluntary and respect human dignity
- The company prohibits the use of all forms of forced labor, including prison labor, bonded labor, compulsory labor, military labor, slave labor, and any form of human trafficking. The use of corporal punishment or threats of violence or other forms of physical, sexual, psychological, or verbal abuse as a method of discipline or control is not tolerated in the workplace.

V. COMMITMENTS AND MEASURES

- We conduct regular risk assessments and audits aimed at identifying and preventing child and forced labor throughout the supply chain.
- We train our employees and partners on recognizing and preventing violations.
- We maintain transparency and open dialogue on issues of labor rights and ethical practices.
- The management of HERTI JSC supports initiatives related to:
 - raising funds for disadvantaged children
 - assistance in the educational process of children;
 - support of staff and society to increase the quality of life.
- The Company provides and maintains a work environment free from violence, harassment, threats and other unsafe or disruptive conditions due to internal and external threats.

VI. REPORTING AND RESPONSE

- Anyone who has information or suspicions about the use of child or forced labor within the activities of HERTI JSC or its partners can report without fear of reprisals.
- The company considers all signals carefully and takes adequate corrective measures..

VII. RESPONSIBILITIES

- The management of HERTI JSC is responsible for the implementation and compliance with this policy.
- Every employee is required to comply with the policy and to contribute to the creation of an ethical and legal work environment.

All newly hired workers and employees are introduced to the Policy upon starting work.

This policy is subject to periodic review at least once every 3 years or upon significant changes in legislation or the strategic direction of the company.

This Policy was adopted by the Board of Directors at its meeting on 24.06.2025.